

DEPARTMENT OF ENVIRONMENTAL QUALITY
AIR QUALITY DIVISION
ACTIVITY REPORT: On-site Inspection

B236364438

FACILITY: Standard Coating Inc.		SRN / ID: B2363
LOCATION: 32565 Dequindre, MADISON HTS		DISTRICT: Warren
CITY: MADISON HTS		COUNTY: OAKLAND
CONTACT: Nino Nuculovic , General Manager		ACTIVITY DATE: 07/28/2022
STAFF: Mark Dziadosz	COMPLIANCE STATUS: Non Compliance	SOURCE CLASS: MAJOR
SUBJECT: FY 2022 Inspection		
RESOLVED COMPLAINTS:		

On Thursday, July 28, 2022, I, Michigan Department of Environment Great Lakes and Energy-Air Quality Division staff Mark Dziadosz, conducted an announced scheduled inspection of Standard Coating Inc. (B2363), located at 32565 Dequindre, Madison Heights, Michigan. The purpose of this inspection was to determine the facility's compliance with the Federal Clean Air Act Part 55, Air Pollution Control, of the Natural Resources and Environmental Protection Act of 1994, PA 451, as amended, the National Emission Standards for Hazardous Air Pollutants (NESHAP), 40 CFR 63, Subpart M National Emission Standards for Surface Coating of Miscellaneous Metal Parts and Products and Renewable Operating Permit (ROP) MI-ROP-B2363-2019.

I arrived at Standard Coating, Inc. at 1:30 PM and met with Nino Nuculovic, Vice President of Operations. Prior to the inspection records were requested electronically. Upon arrival, Nino and I discussed the records and operations. I was then taken on a tour of the facility.

Standard Coating Inc. applies epoxy coating to metal parts for use in the automotive industry. The facility employs approximately 70 employees, operates Monday through Friday (occasionally Saturday) from 7:00 am to 5:00 pm. They have a surface coating line including: a phosphate treating system, rinsing process, and coating process with two dip tanks and a natural gas-fired curing oven. The facility also has two boilers, one 5,000,000 BTU (EUBOILER2) and one 8,000,000 BTU (EUBOILER5). 40 CFR Part 63 Subpart M regulates the rate and concentration of organic HAP. The facility makes use of some materials that contain methyl isobutyl ketone. Compliance with M is evaluated later in the report.

Standard Coating had recently installed a new powder coating booth controlled by dry filters and does not vent to the outside ambient air. Mr. Nuculovic provided the SDS for the powder coating currently being tested and will notify the AQD of the coatings that become permanent materials at the facility. The booth appears to be exempt from permitting per AQD Rule 336.1287(2)(d). The rest of the building is used for storage/shipment purposes.

Standard Coating provided an excel spreadsheet of all calculations. The document can be found in: S:\Air Quality Division\Staff\Mark Dziadosz\B2363 Standard Coating FY22 Inspection or the facility plant file.

MI-ROP-B2363-2019

EULINE9

SC I.1-2 A 8 pound per hour and 34.9 tons annually based on a rolling 12-month time period. For the time reviewed, the highest monthly emissions were 7.69 lb/hr in February 2022 and 1.86 tons in March 2022.

SC I.3-10 The facility uses a resin and pigment containing methyl isobutyl ketone (MIK). The HAP content of the resin (0.0004 lbs MIK/gal) and pigment (0.0063 lbs MIK/gal) appear to be less than all the emission limits in conditions I.3-7. This means the materials used at Standard Coating are compliant with the emission limits via the compliant material option.

SC II.1 The facility provided SDS during the inspection to confirm the VOC content (minus water) of the water-based coatings used. All water-based coatings (as applied) appear to be under 1.30 pounds VOC/ gal (minus water).

SC II.2 The facility does not use any thinners or additives.

SC III.3 The facility only uses Cleaner HF-2, which does not contain any HAPs (SDS provided).

SC V.1 The permittee received permission to use manufacturer data in lieu of performing Method 24 analyses. Approval documentation can be found in the facility file at the Warren District Office.

SC VI.1-3 The facility provided VOC emission records for the time period since last inspection. The facility is tracking all required records and the calculations appear to be correct.

SC VI.4-7 The facility appears to be meeting the requirements of the recordkeeping and reporting requirement for the NESHAP. The facility is using the compliant material option.

SC VII.1-5 The permittee submits both annual and semi-annual ongoing compliance reports. 2021 reports were received late. No deviations were reported. A violation will not be issued. The facility uses the complaint material option.

SC VIII. The exhaust stacks for EULINE9 appear to discharge vertically and unobstructed. Stack dimensions not confirmed during this inspection.

FGBOILERS

SC II.1 The permittee only burns natural gas as fuel for FGBOILERS according to Mr. Nuculovic and confirmed on the tune-up records.

SC III.1 The permittee was unable to provide records of the one-time energy assessment as well as the tune ups required by 40 CFR 63 Subpart DDDDD. A violation notice will be issued for the lack of records for the one-time energy assessment.

SC III.2 The permittee performs the required tune-ups for EUBOILER2 and EUBOILER5. The permittee provided copies of the tune-up records.

SC III.3 The permittee has not chosen an alternate way to satisfy work practice standards noted in III.1 and III.2, so this condition does not apply.

SC III.4-5 The facility provided tune up records for EUBOILER5 and EUBOILER2. EUBOILER5 was serviced in February 2020 and is due for a tune up every 25 months. A violation notice will be issued. EUBOILER 2 was serviced in November 2019 and is due for a tune up every 61 months.

SC III.6 The tune-up records appear to satisfy the requirements stated in condition IX.4a-f. EUBOILER5 is due for a tune up.

SC III.8 Initial boiler-tune ups were performed at the issuance of the previous ROP in 2014, before the January 31, 2016 deadline.

SC III.9 According to the response to violation letter received October 22, 2019, the permittee completed the one-time energy assessment required by 40 CFR 63 Subpart DDDDD during the week of October 28, 2019. However, the permittee was unable to provide records of the assessment. It is unclear if the assessment was ever done. A violation notice will be issued.

SC VI.1 The permittee was able to provide records of tune-ups and required notifications and reports required by 40 CFR 63 Subpart DDDDD. EUBOILER5 is due for a tune-up.

SC VI.2 All records for FGBOILERS except the one-time energy assessment were available upon request. EUBOILER5 is due for a tune up.

SC VII.1-2 The facility reported no deviations.

SC VII.3 The permittee submits the required annual and semiannual compliance reports. The 2021 reports were received late. A violation will not be sent.

SC VII.4 The permittee submitted an initial Notification of Compliance for each boiler. The reports were received by AQD on March 4, 2014 before the January 31, 2016 deadline.

SC VII.5 The permittee has submitted the follow up ongoing Notification of Compliance reports for EUBOILERS 2 and 5.

SC VII.6 The permittee has included company info, process unit info, reporting period dates, tune-up dates, and responsible official completeness statements in the compliance report.

SC VII.7 The permittee submits reports to the EPA via CEDRI.

SC IX.1 The permittee has complied with initial compliance requirements for 40 CFR 63 Subpart DDDD and has submitted ongoing Notification of Compliance Reports.

SC IX.2 The permittee appears to be in compliance with the work practice standards described in 40 CFR 63.7505(a) by performing the tune-up maintenance on the boilers. The tune-up for EUBOILERS was due in February 2022 and the facility will receive a violation notice.

SC IX.3-4, and 6 Neither boiler in FGBOILERS has experienced a lapse in operation to warrant completion of additional tune-ups.

SC IX.5 The permittee keeps records to demonstrate continuous compliance with tune-up requirements. The tune-up for EUBOILERS was due in February 2022 and the facility will receive a violation notice.

The facility has submitted their MAERS report on time for the past 10 years. Based on the information gathered during the inspection, Standard Coating appears to out of compliance with the Federal Clean Air Act Part 55, Air Pollution Control, of the Natural Resources and Environmental Protection Act of 1994, PA 451, as amended, and MI-ROP-B2363-2019. Specifically, the facility is late on the tune-up on EUBOILERS and does not have records for the one-time energy assessment required on FGBOILERS. A violation notice will be issued.

NAME

DATE September 7, 2022 SUPERVISOR 